

NATIONAL CANNERS ASSOCIATION



Information Letter



FOR N. C. A. MEMBERS

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Navy to Buy Corn, Pears, and Tomatoes

The Navy Department is asking for bids on canned corn, pears and tomatoes. Bids on corn (Schedule 7554) and pears (Schedule 7561) will be opened on September 13, and those on tomatoes (Schedule 7560) on September 20. Bids are asked on 1,760,000 pounds of corn, 560,000 pounds of pears and 4,740,000 pounds of tomatoes, for delivery in various quantities at Boston, Brooklyn, Philadelphia, Hampton Roads, Mare Island and Bremerton. Copies of the schedules on which to submit bids may be obtained from the Bureau of Supplies and Accounts, Navy Department, Washington.

Commission Soon to Start Tomato Investigation

An informal announcement by the United States Tariff Commission on August 31 stated that the field work in connection with the investigation of the cost of production of canned tomatoes would begin within a week, and that the Commission's investigators would visit various canning centers in the United States in connection with this study.

State Registration of Trade-Marks

The Association was recently asked by a member who had been advised to have his trade-mark registered in all of the various states, whether such registration is necessary or advantageous; likewise whether it is necessary that a canning corporation's charter expressly give it the right to own and maintain its trade-marks in order to give it a standing in court in an action relating to trade-marks.

As other members of the Association may have the same question under consideration, the matter was referred to the Association's counsel—Covington, Burling and Rublee—and the following letter has been received from Mr. Spencer Gordon of that firm:

"It is true that many of the states have laws regarding the regulation of trade-marks analogous to the federal law, except that the federal law governs interstate commerce, whereas the state laws govern commerce within the individual states. These laws vary among the states. Generally speaking, most of them were passed to protect the names of workmen's unions and associations but they incidentally provide a means for registering trade-marks. Some of them provide that registration shall be *prima facie* evidence of ownership in any suit involving a trade-mark. Some make it a criminal offense to use a registered trade-mark with intent to deceive.

"None of these state statutes, however, can take away any rights that may have been acquired at common law to use particular trade-marks or trade names. The right to a trade-mark or a trade name is acquired by the first person who uses that trade-mark or trade name on a particular kind of goods in a particular locality. This is a property right. For example, the registration of a trade-mark in the Patent Office in Washington does not give the person who registers it any substantial rights as against other persons who really have acquired ownership in the mark by its use in certain localities.

"Of course, a canner who has a trade-mark might be caused considerable inconvenience by its registration by some other person, and if the canner can register his marks in the various states that have registration laws without going to any considerable expense, it would be a wise precaution to do so. If, however, a canner is in fact the first person to use a trade-mark in a locality, its subsequent registration by someone else can not deprive the canner of the right to use it. It would seem that the trouble and expense involved in registering the trade-marks in many states would perhaps outweigh the possibility of trouble and expense that might come from some other person registering the same mark.

"It is also asked whether a canning corporation would have a standing in court in an action relating to trade-marks if its charter did not expressly give it the right to own and maintain its trademarks. There is no doubt about this. The right to own trade-marks would be implied to any corporation authorized to do a canning business."

Budget Director Urged to Recommend Enlarged Program of Agricultural Research

Representatives of thirteen national farm and industrial organizations met with General Herbert M. Lord, Director of the Budget, on August 3, and urged him to submit to President Coolidge a recommendation for an enlarged program of agricultural research.

Several weeks ago the group conferred with Dr. A. F. Woods, Director of Scientific Research of the Department, later with President Coolidge, who was represented as being interested and friendly, and then with Secretary Jardine, who, at the conclusion of the conference, stated: "I have said repeatedly that the time has come for a real enlargement of our research work."

The group strongly commended the present work of the Department, but pointed out that research, for which it was originally created, is receiving only 6.5 per cent of its total appropriation. A smaller percentage of the funds appropriated for the regular work of the Department is allotted to research now than in 1921.

They urged Director Lord to approve and recommend to President Coolidge general increases for research on the ground that money spent for this purpose really is one of the most profitable investments for the welfare of the nation that possibly could be made by the government, and that adequate funds for research should be provided as a step toward the formation of a long-time progressive national agricultural policy.

Whatever form of farm relief is finally adopted by the government, the group agreed that it should be supplemented by more funds for research, which has contributed immeasurably toward making the American farmer produce more per worker than is produced in any country.

General Lord was told that the research conducted by the Department has returned almost unbelievable dividends to the nation. Dr. A. F. Woods, Director of Scientific work of the Department, was quoted as having declared: "A careful analysis of the work that has been done by the Department shows that for every dollar expended in research there is an annual yield of \$500."

Statistics Issued on Maine's Blueberry Pack

Statistics on the blueberry crop collected by the Maine Department of Agriculture from canners show that during the last three years canners have bought an average of 141,627 bushels annually, at an average price of \$3.33 per bushel. The annual

pack of blueberries has averaged 127,646 cases of No. 10 cans, and 24,351 No. 2 cans.

The following table shows the variation during the three years in the purchases, prices, and pack:

	1924	1925	1926
Bushels bought	98,473	157,272	169,136
Price paid per bushel	\$3.00	\$3.37	\$3.61
Cases packed:			
No. 10	86,001	146,694	150,244
No. 2	17,356	21,971	33,729

The foregoing figures represent the value of canning berries and do not cover the berries sold for table purposes.

Customs Court Rules on Cherries in Brine

A ruling by the United States Customs Court, sustaining protests by fruit importers in New York and Chicago, fixes the duty on cherries in brine at 2 cents a pound under the provisions of paragraph 737 of the Tariff Act of 1922. The cherries were subjected to a duty on entry at the rate of 40 per cent ad valorem under the same paragraph as prepared or preserved cherries, while the ruling of the Customs Court holds them to be cherries, sulphured or in brine.

Porto Rican Canned Fruit Shipments to United States

According to statistics issued by the Porto Rican Government shipments of canned, prepared, etc., fruits from Porto Rico to the United States in 1925 and 1926 were as follows:

	Pounds		Value	
	1925	1926	1925	1926
Grapefruit	3,338,070	7,033,405	\$329,340	\$674,186
Pineapples	1,450,946	1,665,254	160,427	142,407
Guavas	9,238	5,231	1,872	857
All other	2,569	9,041	586	1,190

Shipments of fresh fruits to the United States were valued at \$4,812,333 in 1925 and \$4,467,549 in 1927.

Forbids Misleading Methods in Selling Prison-Made Goods

The Federal Trade Commission has issued an order against a Chicago firm requiring that it discontinue selling prison-manufactured goods under a trade name or corporate name which includes the word "manufacturing" or a word or words of like importance. The Commission found that this firm purchased large quantities of shirts, shoes and binder twine from an Indiana state prison and sold these articles direct to customers after advertising itself as a manufacturer and a direct-from-the-factory dealer.

An order was also directed against the same company requiring it to cease the use of the letters "U. S." as advertising labels on shoes which it had purchased from the state prison and invoiced and billed to buyers as "U. S. Army Munson Last Work Shoes."

Imports of Canned Milk and Tomato Products

Imports of condensed and evaporated milk, canned tomatoes and tomato paste into the United States during the six months ended June 30, are reported by the Department of Commerce to have been as follows:

Milk:	Pounds	Value
Whole-milk powder	706,548	\$152,765
Skimmed-milk powder	714,043	52,981
Cream powder	9,359	3,345
Canned tomatoes	28,712,060	1,647,419
Tomato paste	6,953,022	699,126

Argentine Requirements for Lacquering Cans

In connection with the Argentine requirements for lacquering cans a suggestion has been made by the American Commercial Attache at Buenos Aires that three European scientists from countries not connected with the salmon industry be appointed to examine American and Canadian canned salmon and to pass on its quality as a perfect food when packed in unlacquered cans. The British Chamber of Commerce recently appointed a committee to put this proposition before the chief of the Argentine National Chemical Office. It was further decided that the Allied Chamber, composed of the various commercial attaches, will, through their respective embassies, enter formal protests to the Argentine Government covering the whole question of lacquering tins of food products.

It is hoped, the U. S. Department of Commerce states, that these activities will eventually lead to the removal of the present restrictions, although nothing definite has yet been accomplished.

Federal Trade Commission to Study Re-sale Price Maintenance

The Federal Trade Commission has decided to make a broad investigation of the subject of re-sale price maintenance, the objects of the study being to learn the facts about (1) the advantages and disadvantages of re-sale price maintenance to manufacturers, wholesalers and retailers; (2) costs, margins and profits of manufacturers and distributors and the prices to consumers; (3) causes and motives for price cutting by distributors, and (4) the relation of retail price maintenance to the

multiplication of distributors. The investigation will be under the general supervision of Dr. Francis Walker, chief economist of the Federal Trade Commission.

Trend of Manufacturing and Distribution Trades

The output of industry declined substantially in June to a level close to that of a year ago, reflecting reduced activity both in mines and in factories, according to the Federal Reserve Bulletin. The value of building contracts awarded was the largest for any month on record. The general level of prices remained practically unchanged.

Trade of wholesale firms was larger in June than in May. Sales of groceries, dry goods, shoes, hardware, and drugs increased in June while those of meats declined. Compared with the corresponding month a year ago, sales in June of this year continued slightly smaller, reflecting reductions in all lines except groceries and drugs, which were in approximately the same volume as a year ago.

Distribution of merchandise through retail channels in June declined less than is customary for the season and sales were slightly larger than in June of last year. Sales of department stores for the country as a whole, were in about the same volume as a year ago, but those of mail-order houses were 1.6 per cent larger. Reports from chain stores in seven lines of retail trade showed larger sales in June of this year than in 1926 in all lines except cigars and music, but these increases reflect growth in the number of stores in each chain as well as changes in the amount of sales.

Poisonous Metal Legislation in Germany

The U. S. Trade Commissioner at Berlin reports that the German Ministry of the Interior has drafted a new law providing for more efficient control of the use of lead, zinc, and antimony in articles coming in contact with foodstuffs.

The present law regarding such poisonous metals was passed in June, 1887, and since that time there have been no changes in the fundamental legislation. On account of the newer processes in use in the manufacture of utensils and the increasing cost of tin, which leads to the substitution of other materials as coating for base metals, there is a growing danger of contamination from these heavy poisonous metals. On this account, the law has been prepared. According to the regular practice, it will have to be submitted to the Federal Economic Council and after passing that body may reach the Reichstag for final

action. Contrary to the practice in this country, where foods are judged by the actual amount of such poisonous ingredients contained in the foods, the German law will specify the composition of containers and machinery used in the manufacture of foods.

The abstract of the law which has been received by the Department of Commerce indicates that no potential trouble to American manufacturers may be expected from the passage of this law, if it ever is actually passed in its present form.

Spanish Canners Concerned Over Olive Oil Prices

The American Commercial Attache at Madrid reports that Spanish trade journals are expressing considerable criticism of the law in that country which compels the use of only pure olive oil in fish canning. The situation is said to be particularly critical owing to the present high price of olive oil, which makes it difficult for Spanish canners to compete with foreign canners who are allowed to use other wholesome vegetable oils in putting up their products. It is proposed as a remedy that permission be given Spanish importers to bring in larger quantities of various vegetable oils, which would serve to bring down the price of olive oil in the Spanish market.

German-Norwegian Canned Fish Trade Agreement

The United States Department of Commerce has made official announcement of the agreement negotiated between Germany and Norway whereby sea fish of all kinds (not exceeding 16 centimeters in length when alive, under tariff item 219) prepared with tomatoes, with or without slight additions of oil, pepper and laurel leaves, in sealed cans imported from Norway, are accorded the German preferential tariff rate of 30 marks per 100 kilos granted by Germany to Portugal for canned prepared sardines and to Italy for canned sardines other than those preserved in oil. The preferential tariff is to remain in effect as long as an equal concession is made by Germany to Portugal, Italy or any other country. The agreement, which is still subject to ratification by Germany, is to come into force 10 days after the deed of ratification has been deposited by the German Government with the Norwegian Legation at Berlin, and may be abrogated by either party upon three months notice.

Similar fish from the United States will be entitled to the concession under our most-favored-nation treaty with Germany.

British Weight Marking Regulations

In information Letter No. 212, dated June 11, 1927, attention was called to the fact that regulations, governing the manner of marking pre-packed articles of food to indicate the weight of food, were under consideration by the Board of Trade in connection with the British "Sale of Foods Act."

The U. S. Department of Commerce has received from the American Trade Commissioner in London copies of an order just issued by the Board of Trade, known as "The Sale of Food (Weights and Measures; Pre-packed Articles) Regulations, 1927." These regulations contain a number of changes from the first draft which was submitted to trade associations and interested parties for criticisms and suggestions. The following are said to be the most important features of the new regulations.

- (1) The indication of weight must be conspicuously and legibly marked and be situated in a prominent position on the outside of the outermost wrapper or container, or on a securely attached label. An exception is made, however, in the case of packages having an outer wrapper of a transparent nature provided the indication of weight is easily legible.
- (2) The letters indicating the weight shall be in plain block characters not less than one-twelfth of an inch in height for packages of less than 6" in their greatest dimension, and not less than one-eighth of an inch in height for larger packages. These characters must be in distinct contrast to the background.
- (3) In expressing denominations of weight the "ounce" denomination shall not be used for a weight of over one pound. This meets the difficulty which the previous draft created for a certain one-pound package which was marked "16 ounces."

It is understood that these regulations will take effect on the first day of January, 1928, on all pre-packed articles other than tea.

The British Board of Trade has prepared a summary of the provisions of the Act. The U. S. Bureau of Foreign and Domestic Commerce has received copies of this summary, which will be made available to American firms upon request. It does not appear that the requirements of the English law will affect American practices to any appreciable extent, particularly in their application to canned foods.